
DEPARTMENT OF INSURANCE

June 4, 2014

Bulletin 208

Old Order Amish Liability Aid

This bulletin is directed to all Hoosiers considering using an Old Order Amish Liability Aid Certificate of Liability Coverage (an "Old Amish Certificate") instead of an insurance policy to fulfill a legal or contractual requirement, and to insurance producers whose clients are considering cancelling or not renewing an insurance policy in favor of an Old Amish Certificate.

Amish property owners sometimes choose to use Old Amish Certificates like the one attached to this bulletin instead of procuring insurance policies. Old Amish Certificates vary from insurance policies in many key ways:

- Old Amish Certificates are not a promise to pay. The Old Amish Certificate clearly states that the member "is responsible to make any such settlement himself to any individual or firm and upon complete legal settlement of such claim is reimbursed for his loss" by the Old Amish Aid plan.
- Old Amish Certificates are not subject to regulation by the Indiana Department of Insurance or any regulatory body outside the Old Order Amish Church.
- Old Amish Certificates are not covered by the Indiana insurance guaranty funds. Thus, if the Old Order Amish Liability Aid program has insufficient funds to pay for a loss, the party holding the certificate has no financial coverage for any liability.

It has come to the Department's attention that some Hoosiers do not understand that Old Amish Certificates are not a substitute for an insurance policy. Although individuals may typically choose to manage their risk in any manner they choose, including foregoing insurance altogether, the Department wants to emphasize that Old Amish Certificates may not fulfill any contractual or legal obligations to obtain insurance. For example, if a subcontractor has an obligation under a contract to obtain liability insurance, and the subcontractor instead obtains an Old Amish Certificate instead, it may constitute a breach of contract. As further example, an Old Amish Certificate might not fulfill a mortgagor's responsibility to his or her mortgagee to obtain flood insurance. The Department encourages Hoosiers to work with their legal counsel and other advisors to determine the best method of managing risk for their particular circumstances.

Questions regarding this bulletin should be directed to Tina L. Korty, General Counsel, at (317) 232-2417 or tkorty@idoi.in.gov.

INDIANA DEPARTMENT OF INSURANCE

Stephen W. Robertson
Insurance Commissioner

Old Order Amish Liability Aid

10313 N 500 W – Milford, Indiana 46542

CERTIFICATE OF LIABILITY COVERAGE

Expiration Date: July 31, 2014

DATE:

TO WHOM IT MAY CONCERN:

In regards to your Request for a Certificate of Liability Coverage for:

This letter is to certify that the above-named person or party, together with his family or workers is a member of the Old Order Amish Liability Aid.

Membership in this Aid qualifies said member for reimbursements to him from our Aid Plan for liable claims brought against him or his family or business – resulting from accidents or injuries to persons, personal property or equipment.

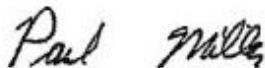
Said member is responsible to make any such settlement himself to any individual or firm and upon complete legal settlement of such claim is reimbursed for his loss by our Aid Plan.

We have no fixed "ceiling cost" figure on the amount of any one claim; but as a church group – we endeavor to meet costs as they occur through an organized channel from our churches.

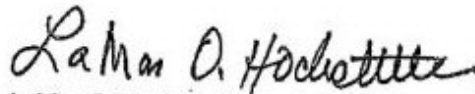
This Aid was organized and established in the Old Order Amish Church, by the church for church members only, in the year 1965 as a means of liability coverage for its members and is publicly recognized by most as a sound and sufficient liability coverage.

We, the undersigned officials, limit our own personal liability to the proper function and administration of this Aid.

At this time, said member is a member in good standing of our Old Order Amish Liability Aid.



Paul Miller, Chairman
1665 S 1000 W
Shipshewana, IN 46565



LaMar O. Hochstetler, Assistant Secretary
10313 N 500 W
Milford, IN 46542

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